

CONFIDENTIAL

13 JUN 1980

MEMORANDUM FOR: Deputy Director of Security (P&M)

FROM:

Chief, Policy and Plans Group

SUBJECT: Personnel Security Study (U)

REFERENCE: Your Memorandum dated 13 May 1980, same subject

1. In keeping with the tasking reflected in reference, the study prepared by the Community Security Group was staffed to PSI and reviewed within PPG from the editorial standpoint. PSI, as reflected in the attachment, has endorsed the Community Security Group's paper. PPG has edited the study as specified below. (U)

2. Editorial review included analysis of the DD/CA's comments and changes have been effected in paragraphs 2 and 3 on page 9 of the basic policy statement. With respect to paragraph 1 on page 10, we did not find the disputed sentence confusing in the light of data immediately preceding the paragraph. (U)

3. In a comment relating to a proposed Executive order to replace E.O. 10450, the DD/CA questioned an exclusion for the DCI and members of the IC. We feel the exclusion is appropriate in view of the provisions of Section 10(b)(3) that would establish a security-investigation index within the Office of Personnel Management. The final comment of the DD/CA suggested a problem if the DCI is given the authority to prescribe standards to sensitive compartmented information. The potential problem involved the many special access programs which do not involve intelligence sources and methods. We feel the term sensitive compartmented information is accepted as unique to the DCID's that govern the control of SCI and that there is no likelihood of misunderstanding. (U)

4. The only other major change by PPG involved Section 6(a)(2)(i) of the proposed replacement for E.O. 10450. Mention of grade as a criterion that determines the extent of investigation is unacceptable. Access is the only valid criterion. (U)

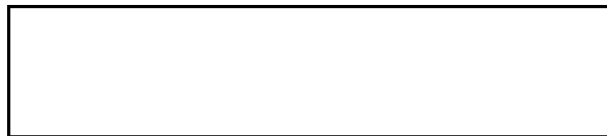
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5. It should be noted that PPG is fully aware of the resource problem that would face this and other agencies if the expanded coverage for Secret clearance is adopted. In staffing to PSI, it was emphasized that practical considerations had influenced in-house decisions regarding investigative coverage in the recent past. Notwithstanding this awareness, we concur with PSI in the approach that a presentation of recommended standards should be in the spirit of outlining standards that will afford maximum protection to classified information. With the understanding that the Director of Security will present the proposal as an ideal that cannot be implemented without a substantial increase in resources, PPG recommends submission of the study to the NSC/SCC/CIWG. The Director of Security might also wish to suggest that the NSC/SCC/CIWG task the Security Committee itself (as opposed to its staff) to determine the potential resource impact of the proposal and of any feasible alternatives. (U)



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MEMORANDUM FOR:

Re: La

If this goes out of  
the office, please have them  
change Community Party to  
Communist Party on the  
first page of the proposed  
National policy.

OSP

Date

FORM 101 USE PREVIOUS  
5-75 EDITIONS